

'COOPERATIVE HOMES' FRAUDS NET MILLIONS

Widows Especially Are Victims of Crooks With Alluring Promises.

BANKS GET CRITICISM

Magistrate Mancuso Will Give Evidence to State Attorney-General.

SHARKS' SCHEMES BARED

Woman, Taken In by 'Own Your Own Apartment,' Put In \$300; Got Nothing.

Details of a widespread swindle by men who seized upon the housing shortage to float fraudulent cooperative apartment owning concerns, and appealed to investors who could least afford to lose, were revealed yesterday in John Doe proceedings before Magistrate Francis X. Mancuso.

One of the sensational developments was the charge that banks appeared to be at the basis of many of the swindles—turning over to the schemers ancient dwellings hitherto held to be uninhabitable and accepting as a first mortgage the full purchase price. The original purchaser, however, promptly became lost in the mazes of the operations, and the title to the property changed hands. Not many of the investors ever viewed the ramshackle object of their thrift, but those who did declared their inability to get possession of their apartments.

A woman who had been struck by the slogan "Own your own apartment" was one of the witnesses. She said that she had agreed with one of these concerns to buy \$400 worth of stock, but that she had received assurances that for \$14 a month her purchase would secure for her a \$22 apartment for life. She paid in \$300 on account of her stock, but she never succeeded in getting possession of the apartment.

Theodore Waugh, Assistant District Attorney, and James J. Wilson, who are conducting the investigation, informed Magistrate Mancuso that hundreds of complaints of similar fleeing have been received, and there was no doubt in their minds that the cooperative apartment makers had cleaned up several millions of dollars.

The plan of operation was shown by testimony concerning a house in East 19th street. It was an abandoned tenement house, owned by a bank, and had been condemned for habitation. A housing "shark" bought it from the bank, mortgaging it to the bank for its entire value. Then he formed a holding company to which the building was transferred.

The holding company passed it on to another corporation formed in the name of acquiring title. The original buyer obtained a second mortgage, which was given by a relative, and the scheme was then ready for "breaking" to an apartment hungry public. The title holding corporation advertised it for sale on a cooperative basis, offering apartments to tenants upon their purchase of stock.

One scheme to force a quick liquidation of assets, Mr. Waugh said, and one that was practiced especially in land lotteries, was to induce investors to complete payments before they were due on a promise to getting a quick profit for the investors.

The resale of the lot under these terms was in many cases not carried out, as there were no prospective buyers, but the money paid in was in the hands of the schemers. Widows especially were the victims of these operations, said Mr. Waugh.

Magistrate Mancuso directed that the attention of the Attorney-General of the State be called to the evidence in the hands of the investigators. This will halt criminal prosecutions, he said. The Magistrate will resume at 2 o'clock tomorrow afternoon an investigation of the Ironbound Realty Company, Inc. of 5 Beekman street.

HURT IN ESCORT'S CAR, SHE SUES FOR DAMAGES

Youth Drives Into Pole After Theatre and Dinner.

Miss Clara Louise Weber of 169 Passaic street, Hackensack, went to a theatre in New York on the night of March 27 with Eben Morse of 409 Prospect avenue, Hackensack, and she brought suit yesterday against young Morse and his father, William Morse, for \$25,000 damages for injuries alleged to have been suffered during the party.

Miss Weber charges that after the theatre she and Morse went to supper, and then started home in his automobile with another man and another girl. On the Fort Lee highway, she contends, young Morse ran the car into a tree and a telegraph pole. Her right arm was lacerated by the broken glass of the window of the car. She names young Morse's father in the suit because she says the boy was acting as the agent of the older man.

MAN'S BODY AND LEG FOUND IN EAST RIVER

Police Face New Mystery; Suicide Is Indicated.

The finding of the body of an unidentified man and of a human leg in the East River at about the same time yesterday gave the homicide squad a new mystery to solve. Although the police say they believe the man committed suicide, they are making a thorough investigation. The hands were tied together, with a hitch on one wrist and a slip knot on the other and about twelve inches of rope between them. Only five cents were in the pockets of the clothing. The body was clad in overalls.

The leg, cut off at the knee, had apparently been in the water many weeks. It may have been used, the police think, for dissecting purposes and then thrown away. The body was found at the foot of Coffey street and the leg at Conover street, Brooklyn. Both were taken to the Kings county morgue by police of the Marine Division.

G. H. HART BEQUEATHS \$500 FOR UPKEEP OF 2 PARROTS

Lawyer's Will Provides That Birds Must Never Be Separated and Requests Cruelty Society to Care for Them in Worthy Manner.

Two parrots, pets of George H. Hart, of 149 East Thirty-ninth street, who died July 28 and who was prominent as a criminal lawyer, are bequeathed to the Society for the Prevention of Cruelty to Animals under Mr. Hart's will, filed yesterday. He leaves \$500 for the upkeep of the birds, stating that they must never be separated and requesting they be treated in a manner worthy of the aims and pretensions of the society.

Mr. Hart directed that a valuable law library be sold the proceeds to be used by the society in their ethical character for supporting a school for the instruction of children and the young, that they may be induced to observe the laws of health.

JUSTICES CALL HALT TO SECRET DIVORCES

Open Hearings Decided Upon in Future in the Ninth Judicial District.

Trial of all divorce suits in open court as a means of stopping the practice of seeking secret decrees in Westchester County, has been decided upon by the Supreme Court Justices of the Ninth Judicial District, which comprises the counties of Westchester, Putnam, Dutchess, Orange and Rockland. This decision of the Justices is said to have been based on the revelations of the "divorce mill" conducted by Herbert F. Miller until he was exposed.

Heretofore a jurist would hear witnesses in chambers if counsel for the plaintiff and defendant agreed to it, but from now on all such requests will be refused. If any degree of secrecy is desired, the services of a referee can be obtained, provided there is a defence to the allegations. And the Justices also have decided not to order sealed papers in a divorce suit, as was done by Justice Morchauer in the Stillman case. It was this system of hearing witnesses in chambers, it is said, which made possible the establishment of the "divorce mill." This and the regulation whereby it is not necessary to file the papers in a suit until the points at issue have been adjudicated, has created a condition whereby almost any lawyer could guarantee clients rock-ribbed security from publicity during the trial of the suit, and probably afterward, if the jurist before whom it was tried would agree to the sealing of the papers.

DROP WASHINGTON AS NAME? 'NO,' SAYS COURT

Petition Brings Patriotic Declaration From Justice.

George Hiscob Washington of 10 Manhattan avenue, must remain a Washington. His petition to drop that part of his name and be known merely as George Hiscob, that being the maiden name of the mother he "respectfully and sincerely reveres," was denied yesterday by City Court Justice Callahan, who said:

"That any man could wish to drop a family name of such great distinction is incomprehensible. Many good American parents have felt that the name 'George Washington' added distinction and honor to their own in honoring it into the name of their offspring. I can all these be wrong? Have they bestowed upon a son a name that means embarrassment to him in future life? No good reason for thinking so can exist. The petitioner is mistaken. The name is worthy of the man; may the man be ever worthy of the name."

HYLAN AGAIN URGED TO ALTER BAIL PROCESS

Night Prisoners Not Allowed Chance to Furnish Bond.

Mayor John F. Hylan was asked by Magistrate John R. McGeehan to correct the police practice of locking persons up at night without giving them a chance to get bail, but he has failed to act. Magistrate McGeehan, holding in the case of the main structure, the result was a roar, as the timber and bricks crashed down, that woke the neighborhood. A great alarm was given when a light engine ran into the basement. None of the debris broke through the flooring into the sleeping quarters, however, and no one was hurt. The building, lately been used by the Hadley Rescue Mission.

ROOF BEAMS COLLAPSE ON OLD GERMANIA HALL

Timber and Bricks of Annex in Rear Crash Down.

Some of the roof beams of old Germania Hall, at 191 and 293 Bowery, next door to Suicide Hall, became faulty with the strain of years yesterday. The result was a roar, as the timber and bricks crashed down, that woke the neighborhood. A great alarm was given when a light engine ran into the basement. None of the debris broke through the flooring into the sleeping quarters, however, and no one was hurt. The building, lately been used by the Hadley Rescue Mission.

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CAN'T OUST NEGROES IF THEY RENT HOMES

Whites in Court Lose Plea to Bar Influx Into Apartments From 'Black Belt.'

The legal efforts of the West Harlem Property Owners' Association to prevent the influx of negro residents into their section from the "black belt" further north, met defeat yesterday, when Supreme Court Justice Burr handed down a decision refusing to enjoin the owners of the Garden Courts, a group of nine apartments in St. Nicholas avenue, 118th and 119th streets, from renting the apartments to negro families.

Jacob Schindler, Arthur V. Seaman and Isadore Anhalt, white tenants and members of the association, who applied for the injunction, complained that the apartments occupied by the negroes were overcrowded and that the sanitary condition threatened disease to other occupants of the buildings. Argument on the application was heard by Justice Burr on August 4. The protesting landlords asserted that the owner of the buildings, Edward W. Browning, and Charles Klein, his lessee, were attempting to convert the properties into negro lodging houses, renting the apartments by the week and furnishing to negroes solicited by advertisements in out of town papers, and that the motive for this step was a defeat in the Municipal Court when they attempted to advance the rents. They hoped by restricting the negroes to force out the recalcitrant white tenants. It was alleged.

Justice Burr held in his decision that "there is no law in this State which prohibits a landlord from renting his apartments to tenants solely because of the race, creed or color of such tenants." He suggested that the Board of Health be told of any sanitary violations, and that if the board does not act of its own accord the tenants might appeal to the court again for a writ of mandamus compelling the board to do its duty.

SURGEON ADMITS SLAPPING PATIENT

Tried to Subdue Girl's Excitement, Dr. Means Explains.

Dr. Russell Means, house surgeon of the Manhattan Eye, Ear and Throat Hospital, 210 East Sixty-fourth street, admitted yesterday in Yorkville court that he had slapped Tessie Valley, 13, of 418 East 101st street, on July 23 when he was trying to examine her throat, but said that the girl squirmed and kicked in the stomach. The struggles of the child were described by patients and nurses who were in the ward at the time, one of them stating that the doctor was nearly knocked off his chair by the stomach blow. After the kick, Dr. Means said, he did not intend to slap the girl, but merely sought to subdue her excitement, and he did not think he hurt her. He described the blow as given "unconsciously."

Miss Jane Bohan, a school teacher, testified that the child was holding her throat to her throat and the doctor only slapped her wrists. Other witnesses were Miss E. M. Williams, Miss Florence Breadley, a nurse, and Dr. Fletcher D. Woodward, who said Dr. Means did not strike the girl as charged. It was contended in a complaint by an agent of the Child Welfare Society that the child, who had just had her tonsils and adenoids removed, became ill following the blow. The case was adjourned until today.

RIDENOUR ALIMONY REDUCED ONE-THIRD

Husband Also Allowed Cut Fees Pending Divorce Suit.

On the plea of Orland J. Ridenour, an official of the Sonora Phonograph Corporation, that his income is \$7,500 a year, instead of the \$27,000 his wife alleges it to be, Supreme Court Justice Martin yesterday reduced from \$150 to \$100, the alimony he must pay Mrs. Rosanna Ridenour, pending settlement of her suit for divorce. A reduction from \$150 to \$50 was made in the allowance for counsel fees.

Mrs. Ridenour claimed her husband, in addition to his phonograph company connection, had a \$20,000 yearly income from a connection with Hayden Stone & Co., bankers and brokers, but that he recently cut off \$50 from a \$125 weekly allowance he had paid her. Mr. Ridenour, objecting to the first alimony award, asserted he gets nothing from the brokers, but on the contrary must pay them \$1,000 for stocks bought on margin. When he paid his wife the \$125 a week, he says, he was connected with the Southern Phosphate Corporation and was earning \$15,000 a year, but that employment ceased April 1 last.

CLOTHESLINES SAVE BABY FROM DEATH

Fall From Fifth Floor Is Checked by Ropes in Yard.

Clotheslines saved the life of George Mengold, fifteen month old, yesterday when he tumbled out of an open window on the fifth floor of 261 East Thirty-first street while his mother was busy in the kitchen. The rear yard is small and the clotheslines hang close together, so that while the child broke the first few lines the others merely sagged and slipped him on to the next lower set. When he reached ground he cried loudly. Dr. Vanderhorst of Bellevue Hospital felt the baby over and thought one of two ribs might be broken, but he was not certain about it. He took the child away for treatment.

FIRST TRIAL BEGINS IN VAROTTA MURDER

Prosecution Suddenly Determines to Try Five Accused Men Separately.

CONFESSIONS TO FIGURE

Alleged Kidnappers Must Face Charges of First Degree Murder.

TWO MORE ARE AT LARGE

Those at Liberty Believed to Have Thrown Boy Into River When Ransom Failed.

The trying for murder of the five men who are accused of having caused the death of five-year-old Giuseppe Varotta last June after kidnapping him and threatening to kill him if his father did not pay them a ransom of \$2,500 was begun in the Court of General Sessions yesterday, when one of them, Roberto Raffaele, was placed on trial before Judge Alfred J. Talley and a jury selected from a special panel.

It was planned originally to put the men on trial together, but just before the trial started the plan was abandoned and the men will be tried one at a time. The other trials will follow in order as soon as Raffaele's is ended. An adjournment was taken in his case yesterday as soon as the jury was completed. Assistant District Attorney Brothers will begin the presentation of the State's evidence today.

Raffaele lives at 171 Palisade avenue, Union Hill, N. J., and says he is 24 years old, although he does not look to be more than 17 or 18. It has been announced that at least two confessions by men who took part in the kidnapping and killing of the Varotta child are in the hands of Mr. Brothers and will be used as evidence in the case. Two men who have been indicted and who are believed to have actually killed the child are still at liberty. The four who will be tried after Raffaele's case is disposed of are John Milchione, Antonio Marino, Santa Gushamano and James Ruggieri. Any one of them can be convicted of murder if it can be shown that the Varotta boy came to his death while under his control, in accordance with the statute which presumes intent to commit first degree murder when the death of any person is brought about by a person in the act of committing a felony.

Little Giuseppe Varotta was playing in front of his home in East Thirtieth street on May 24, when he was stolen by men who sent word to his father that if they did not receive \$2,500 from him they would kill the child. Their communication informed the father that they knew he had that much money, but Varotta, who is a chauffeur, poor with a large family, could not pay it. He informed the police, and while a search for the kidnappers was being made the boy was thrown into the Hudson River and drowned.

H. P. DAVISON GAINING STRENGTH IN HOSPITAL

Has Comfortable Day; Pulse and Temperature Normal.

The most encouraging bulletin yet given out on the condition of Henry P. Davison, recovering from an operation for brain tumor at Roosevelt Hospital, was issued at 11 o'clock last night by Dr. James H. Kenyon, physician in charge. It read:

"Mr. Davison has had a very comfortable day, has gained considerable strength and taken more nourishment. Pulse, temperature and respiration are normal."

At noon yesterday it was announced that his condition continued to show improvement, but no formal bulletin was issued. It was said no more bulletins would be issued in the mornings in view of Mr. Davison's satisfactory progress. The members of the family were visitors at the hospital yesterday.

WASTE OIL INCREASES HARBOR FIRE RISKS

Appeal for Abatement Made to Underwriters.

A plea for prompt action to lessen the fire hazard resulting from the throwing of fuel oil into the harbor and docks was made yesterday in a report sent by P. J. T. Stewart, superintendent of the New York Board of Fire Underwriters, to members of that organization.

JUDGE TO APPOINT NEW MAIL LINE RECEIVER

Arthur J. Baldwin Says He Is Too Busy to Serve.

The tangled affairs of the United States Mail Steamship Company were further involved yesterday when Arthur J. Baldwin, who had been appointed receiver for the company on Monday, announced that Judge Martin T. Manton of the United States District Court had relieved him from serving. Another receiver will be appointed today.

Broadway at Ninth Street New York.
Business Hours—9 to 5.
Telephone Stuyvesant 4700

The John Wanamaker Store
Formerly A. T. Stewart & Co.

New Groups of Furniture Arriving Daily for August Sale Keeps Up the Variety

The Keeping of a Store Like This

is quite a different matter from the ordinary store-keeping.

We believe we have an entirely different theory of merchandising. Instead of taking in everything that can be sold at a profit, we do what the cottagers do at some seashore resorts, namely, we put up at our windows and doors a species of mosquito netting strong enough to shut out every kind of merchandise that leaves a bite or sting upon our customers.

Studying closely our customers' likings, we secure at sources of production and purchase for immediate cash down what we believe they desire, and mark everything at fair prices at the beginning of the season, which prices are adjusted afresh with every change in the markets, so that they sell quickly and therefore we do not need to have odds-and-ends, better skelter, hurry-scurry sales every week and a hurly-burly come-quick riddance sale now and then.

Does it not seem silly to put such big prices on when the goods come in and then be obliged to mark them down so much to get them sold? Think it over for yourself.

John Wanamaker
August 17, 1921.

Odd Corsets at \$7.75

All the good corset materials are included—batiste, silk brocade, silk broche, satin and tulle combined, etc. Finished with silk braid and lace; lace and ribbon and silk stitching. Lightly and heavily boned.

Third Floor, Old Building

Silver bleached Linens very moderately priced

64-inch table damask in 3 patterns, \$2 yd.

70-inch table damask in 4 patterns, \$3 yd.

250 yards only at \$2; 1,000 yards at \$3.

18 in. hemmed napkins, per doz. \$5.75.

20 in. napkins, per doz. \$7.25.

22 in. hemmed napkins, per doz. \$8.75.

(Only 480 doz. all told)

45x45 in. hemmed table cloths, each \$2.75.

54x54 in. hemmed table cloths, each \$3.75.

(375 at \$2.75; 201 at \$3.75)

These linens are all made from pure flax and will give exceptionally good service.

First Floor, Old Building

Beaded Purse Bags that women adore

A quaint, old-fashioned loop bag of the reticule type, in black with jet beads, white with white beads or white with jet and white beads; also in blue or black or gray with steel beads. \$37 plus the tax, \$2.95.

An imported draw-top beaded bag in black or blue with steel beads and metal chain handle. \$16 plus the tax, 85c.

Main Floor, Old Building

Wanamaker-standard Longcloth—Down

100 pieces—10 yards to a piece—now \$1.50 and \$2.25 a piece.

36 in. wide—a quality much favored for the making of underclothes.

First Floor, Old Building

The sale is now at its half-way post, but there is no lessening in its advantages. As fast as the purchased suites and single piece are removed from the Fourth, Fifth and Sixth Galleries, immediately they are replaced with reserves from our storehouse or from cars coming direct from the factories.

The Great News is this—

that the Wanamaker Store has put its whole great stock of furniture, without reserve, into a powerful August Sale, with reductions ranging all the way from 10 to 50 per cent.

And that the Sale is going at such a gait as no August Sale was ever known to go before.

Considering that this furniture collection is the largest ever gathered by any retail store, that its qualities are absolutely the best and that the prices, even before the reduction, were the lowest in the city for furniture of standard character, the opportunity is such that no one who has a home to make or a home to improve can afford to ignore.

Inexpensive Bedroom Suites

are among the arrivals this week.

\$137 for a \$274, 4-piece mahogany finish suite, Post Colonial type.

\$153 for a \$172, 4-piece walnut or mahogany suite, Colonial type.

\$174 for a \$348, 5-piece ivory enamel suite, straight line type.

\$190 for a \$380, 6-piece walnut suite, Colonial type.

\$203.50 for a \$407, 6-piece ivory enamel suite, straight line type.

\$216 for a \$325.50 6-piece mahogany suite, Queen Anne type.

\$251 for a \$377, 6-piece walnut suite, Post Colonial type.

\$270 for a \$540, 6-piece walnut suite, straight line type.

\$293 for a \$440, 4-piece walnut suite, Queen Anne type.

\$309.50 for a \$619, 6-piece walnut suite, Louis XVI. type.

\$316 for a \$474.50, 4-piece mahogany suite, Louis XVI. type.

\$352 for a \$470, 4-piece walnut suite, Louis XVI. type.

Fourth, Fifth and Sixth Galleries, New Building

Wilton Carpets, 9 ft. Wide Half Price, \$4 sq. yd.

This is seamless worsted Wilton carpet, 9 feet wide, that retails regularly at \$8 sq. yd. Slight imperfections in the shading lowers the price to \$4 a sq. yd. In taupe, gray, sand and brown. A good buy.

Inlaid Linoleum reduced

\$1.75 grade, \$1.35 sq. yd. \$3.00 grade, \$2.25 sq. yd. \$3.50 grade, \$2.50 sq. yd.

\$3.75 grade, \$2.75 sq. yd. \$4.00 grade, \$3.00 sq. yd. Third Gallery, New Building

This bedspread needs no ironing

And it is quite different from other spreads—won't rumple up.

Queen Anne Spread and bolster cover—single bed size, \$15. double bed size, \$17.50.

You may have it in plain ecru, or in ecru with pretty design worked into a stripe in blue and rose. It is a charming crinkled bed-covering, with scalloped edges, very easily laundered.

Fourth Gallery, New Building

English Tweeds for town or country

\$48.50

Immaculately tailored after a belted model of smart severity, closing in front with two buttons—they are fashioned of English tweed in lovely soft misty blue, tan, green, gray and mauve mixtures.

Large patch pockets—a perfectly cut notched collar and close fitting shoulders are only a few of the careful details that distinguish these suits. Sizes 36 to 42.

Second Floor, Old Building

Household Linens, \$5

Madeira eyelet embroidered and scalloped bureau and dresser scarfs of very fine Irish linen, \$5 each.

A set of pure Irish linen tea-napkins, 13x13 in. in size, with mitered corners and spoke hem-stitched borders, \$5 dozen.

First Floor, Old Building

Two weights of Suits are in this Sale at Zero Prices

True; clothing prices have come down, but Fall prices can not be anywhere near these close-out prices. The remainder of our stocks—summer-weight and medium-weight—have been hit by the blue pencil. This is the way:

\$45 to \$50 suits of various kinds, \$27.50

\$55 to \$60 suits of various kinds, \$32.50

\$65 to \$70 suits of various kinds, \$37.50

The variety is so good that many men will want more than one suit. No charge for alterations.

Burlington Arcade Floor, New Building



Evening frock, black Canton crepe—with rhinestones outlining neck and sleeve—lines a d forming girdle.

Frock of tangerine colored Canton crepe with deep Oriental looking fringe of harmonizing beads.

Frock of black Canton crepe with wheels of ribbon.

Advance Sale of New Frocks for Fall

French inspired and a few French hand made

All at the surprisingly little price of

\$49.50

IN THE WOMEN'S SALON

An unique sale of women's frocks—in distinctive Autumn modes for morning, afternoon, and evening wear—beginning today.

Wide Selection of Models Featuring the most recent whims of Paris.

—the long or short slashed sleeve

—the wide Jenny sleeve

—the round neckline—only moderately low—on the sleeveless, informal evening gowns

—the uneven hem-line

—the lowered waistline

—the bloused bodice

—the two autumn silhouettes

Paris' favorite trimming—monkey fur—ribbon—c a b u c h o n e—metal or rhinestones—motifs in embroidery or beads featuring white on black.

It is a great privilege to be able to offer these exquisite frocks at this amazing price, for it is the kind of thing that happens only once in a very long time.

Second Floor, Old Building